

## HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

10400 Detrick Avenue  
Kensington, Maryland 20895  
(240) 627-9425

### **Minutes**

September 7, 2016

16-09

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, September 7, 2016 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:08 p.m. Those in attendance were:

### **Present**

Sally Roman, Chair  
Jackie Simon, Vice Chair  
Richard Y. Nelson, Jr.  
Margaret McFarland  
Christopher Hatcher  
Linda Croom  
Pamela Byrd

### **Also Attending**

Stacy Spann, Executive Director  
Shauna Sorrells  
Kayrine Brown  
Sheryl Hammond  
Patrick Mattingly  
Gail Willison  
Hyunsok "Wilson" Choi  
Erin Bradley  
Ugonna Ibebuchi  
Angela McIntosh-Davis  
Natalie Kaplan  
Ericka Connors  
Jennifer Arrington

Kelly McLaughlin, General Counsel  
Ian Williams  
Bobbie DaCosta  
Zachary Marks  
Jim Atwell  
Rita Harris  
Brian Selden  
Charnita Robinson  
Ethan Cohen  
Powell Wright  
Brian Kim  
Bonnie Hodge

### **Resident Advisory Board**

Yvonne Caughman

### **IT Support**

Irma Rodriguez

### **Guest**

Jolie Pillsbury, Casey  
Greg Szymanski, Property Mgr. – Alexander House  
Roger Hall, Resident – Alexander House

**Commission Support**

Patrice Birdsong, Spec. Asst. to Commission

The meeting began with approval of the Consent Calendar. The Consent Calendar was adopted upon a motion by Commissioner Byrd and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, McFarland, Hatcher, Croom, and Byrd. Commissioner Nelson temporarily stepped away.

**I. CONSENT ITEMS**

- A. **Approval of Minutes of August 3, 2016** - The minutes were approved as submitted
- B. **Approval of Executive Session Minutes of August 3, 2016** – The minutes were approved as submitted
- C. **Ratification of Authorization to Issue Commitment to CCL Multifamily, LLC for the Permanent Financing Pursuant to the FHA Risk Sharing/Federal Financing Bank Program and Approval to Hedge Interest Rate Risk During the Term of the Construction Loan**

**RESOLUTION: 16-61R**

**RE: Ratification of Authorization to Issue Commitment to CCL Multifamily, LLC for the Permanent Financing Pursuant to the FHA Risk Sharing/Federal Financing Bank Program and Approval to Hedge Interest Rate Risk During the Term of the Construction Loan**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

**WHEREAS**, at a closed Executive Session duly called and held on August 3, 2016, with a quorum present, the Commission duly adopted Resolution 16-61ES titled: “Authorization to Issue Commitment to CCL Multifamily, LLC for the Permanent Financing Pursuant to the FHA Risk Sharing/Federal Financing Bank Program and Approval to Hedge Interest Rate Risk During the Term of the Construction Loan”; and

**WHEREAS**, five (5) Commissioners were physically present at the Executive Session and one (1) Commissioner participated via teleconference call; and

**WHEREAS**, pursuant to the Commission's Amended and Restated Bylaws, the Commission must ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commissioners in adopting Resolution 16-61ES and any action taken since August 3, 2016 to effectuate the transaction contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 16-61ES and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

## **II. INFORMATION EXCHANGE**

- A. Report of the Executive Director** – The Executive Director reported on the GAO Audit report in regard to RAD Program. Mr. Spann introduced his Casey Coach, Jolie Pillsbury, who was visiting.
- B. Calendar and Follow-up Action** – Chair Roman reminded all of the Housing Opportunities Community Partners first fundraiser, *Inspire* Gala, to be held on September 26<sup>th</sup>.
- C. Commissioner Exchange** –
- Commissioner Croom attended a Back-to-School event hosted by the Plum Gar Community.
  - Chair Roman expressed her gratitude of the assistance provided by HOC to the families of the apartment explosion in Silver Spring.
  - Vice Chair Simon reported that she was very pleased to see the announcement of extended hours at the service centers.
- D. Resident Advisory Board (RAB)** – Ms. Yvonne Caughman, President of the Resident Advisory Board, reported that the Board was off in August. They have completed the Bylaws and now back in session to work on the Memorandum of Understanding (MOU).
- E. Community Forum** – Roger Hall, Resident of Alexander House Apartments, addressed the Board inquiring the status of the renovation of Elizabeth Square. He reported on a flood that occurred on the second floor of the building causing damages to seven apartments including his because maintenance was unable to locate the shut-off valve; and consideration of keeping handicapped apartments on the first floor.

Chair Roman thanked him for expressing his concerns and hope that they are addressed during the renovation process.

**F. Status Report – None**

**III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION**

**A. Budget, Finance and Audit – *Com. Nelson, Chair***

**1. Approval to Renew the Primary Audit Contract with CliftonLarsonAllen LLP**

Gail Willison, Chief Financial Officer, was the presenter.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Nelson, Hatcher, Croom, and Byrd. Commissioner Simon abstained. Commissioner McFarland voted against.

**RESOLUTION: 16-62**

**RE: Approval to Renew the Primary Audit Contract with CliftonLarsonAllen LLP**

**WHEREAS**, the Commission awarded a contract to CliftonLarsonAllen LLP (CLA) for the Agency's financial audit for fiscal years 2013 through 2016; and

**WHEREAS**, CLA has been both the Agency auditor and County auditor for the past 12 years; and

**WHEREAS**, HOC has had three different audit partners and several different audit managers throughout the 12 years; and

**WHEREAS**, CLA's knowledge assists HOC in improving both internal controls and workflows.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby approves renewing the primary audit contract with CliftonLarsonAllen LLP for an additional two years.

**B. Development and Finance Committee – *Com. Simon, Chair***

**1. Adoption of an Inducement Resolution for Financing of the Willow Manor at Fairland Development**

Kayrine Brown, Chief Investment and Real Estate Officer, and Ugonna Ibebuchi, Financial Analyst, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

**RESOLUTION: 16-63**

**Re: Adoption of an Inducement  
Resolution for Financing of the Willow  
Manor at Fairland Development**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing financing for the construction of rental housing properties which provide a public purpose; and

**WHEREAS**, one of the public purposes of the Commission is to promote the construction of and acquisition of multifamily rental housing developments in Montgomery County to be occupied by eligible persons and families; and

**WHEREAS**, the Commission is authorized to issue tax-exempt notes to fund the acquisition, construction, and permanent financing for such developments; and

**WHEREAS**, the Commission has been asked to consider the issuance of a tax-exempt note to finance the construction loan for a senior housing facility, Willow Manor at Fairland (a 122-unit development located at 3300 Briggs Chaney Road, Silver Spring, Montgomery County, Maryland 20904), which is intended for occupancy by seniors ages 62 and over (the “Development”); and

**WHEREAS**, the Commission sees this financing as an opportunity to further its goals in meeting said public purpose.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby authorizes staff to proceed with the review and processing of the necessary financing application.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that it is the intention of the Commission to issue tax-exempt bonds in the maximum principal amount of \$19,200,000 to provide financing for the acquisition and construction financing of the Development.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the foregoing represents an expression of intent in order to satisfy the provision of Section 1.150-2 of the United States Income Tax Regulations and is not a commitment by the Commission to issue said note.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that issuance of said note shall: 1) be at the discretion of the Commission, 2) shall be subject to the final satisfactory underwriting and approval of all documents, provisions, covenants, and all other provisions as may be required by the Commission and 3) shall be subject to final acceptance of same by the owner of the Development.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director, without any further action on its part, to take any and all other actions necessary and proper to carry out the transaction and actions contemplated herein.

**2. Approval of \$1.5MM of Additional Predevelopment Funding for the Elizabeth House III Development and Authorization to Close on the Condominium Master Lease and the Advance of Funds to Reimburse Lee Development Group for Development Expenditures and to Begin Lease Payments in Advance of Closing of the Financing of the Elizabeth House III Transaction**

Kayrine Brown, Chief Investment and Real Estate Officer, and Brian Kim, Development Associate, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

**RESOLUTION: 16-64**

**RE: Approval to Draw \$1.5 Million of Previously Approved Predevelopment Funding for the Elizabeth House III Development; Authorization to Create Separate Ownership Entities for the Condominium Regimes and Execute the Condominium Space Leases; and Approval of \$1 Million in Development Funds to Reimburse Lee Development Group for Development Expenditures and to Begin Lease Payments in Advance of Closing on the Construction Financing of the Elizabeth House III Transaction**

**WHEREAS**, Elizabeth Square is a 136,032 sq. ft. parcel located in downtown Silver Spring bounded by Fenwick Street to the north, Second Avenue to the east, WMATA Rail Lines to the west, and Apple Street to the South, consisting of three discrete properties: Alexander House ("Alexander House"), owned by Alexander House Development Corporation(AHDC); Elizabeth House, owned by the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission") and Fenwick Professional Park owned by Lee Development Group("LDG"); and

**WHEREAS**, on February 18, 2014, HOC entered into a pre-development agreement and preliminary plan submittal phase with LDG, Inc., an affiliate of LDG, as authorized by Resolution 14-13, adopted on February 18, 2014 and ratified by Resolution 14-13-R, adopted on March 5, 2014; and

**WHEREAS**, on May 28, 2014, the Commission passed Resolution 14-34 approving the essential business terms of a ground lease and a land development agreement and authorized the Executive Director to negotiate and execute the land development agreement (“Agreement”), which Resolution 14-34 was ratified by the Commission on June 4, 2014 by Resolution 14-34-R; and

**WHEREAS**, HOC, LDG and AHDC entered into the Agreement as of July 31, 2014; and

**WHEREAS**, on July 23, 2015, the preliminary and project plans for Elizabeth Square were unanimously approved by the County Planning Department; and

**WHEREAS**, preliminary and project plans approved up to 766,046 square feet of residential development with up to 907 dwelling units, up to 6,032 square feet of non-residential uses, and up to 63,896 square feet of public use facilities; and

**WHEREAS**, in response to issues with the prior ground lease and condominium structure, the Commission approved an amendment to the Elizabeth House III development plan and the Agreement on October 7, 2015 to permit HOC to lease the air space to be occupied by the to-be-built multifamily building and replace the ground lease with the a space lease for each of the four (4) condominium regimes being established (collectively, the “Space Leases”); and

**WHEREAS**, on October 7, 2015, the Commission approved an additional \$4.5 Million in predevelopment funding (the “Additional Predevelopment Funding”), to be drawn in four separately-approved installments and payable out of the Opportunity Housing Reserve Fund (OHRF), bringing the total amount of approved predevelopment funding to \$6,740,949 when combined with the \$2,240,949 previously approved; and

**WHEREAS**, On May 9, 2016, the site plan for Elizabeth House III was submitted to M-NCPPC and the County Planning Department and is currently responding to comments from Development Review Committee; and

**WHEREAS**, HOC, LDG and AHDC executed an Amended and Restated Land Development Agreement (LDA) on June 8, 2016 to document the restructuring of the ground lease into Space Leases; and

**WHEREAS**, in accordance with the LDA, the four (4) Space Leases will cover the air space needed for construction of the portions of the building that will house (i) the affordable residential condominium, (ii) the market rate residential condominium, (iii) the public use space condominium, and (iv) the parking condominium; and

**WHEREAS**, staff is requesting approval to create up to four (4) separate legal entities to hold the leasehold interests under the Space Leases and to execute the Space Leases with LDG or its successor affiliate by September 30, 2016 (or such later date acceptable to LDG); and

**WHEREAS**, the third installment of the Additional Predevelopment Funding in the amount of \$1,500,000 can be funded from the sales proceeds of the Arcola Towers and Waverly House Rental Assistance Demonstration (RAD) conversions (the “Arcola and Waverly Sales Funds”) rather than out of the OHRF and will pay for expenses required to develop and complete a permit set of architectural drawings and construction documents; and

**WHEREAS**, in addition to seeking approval to draw the third installment of Additional Predevelopment Funding, staff is seeking approval of up to \$1,000,000 in development funding, to be funded from the Arcola and Waverly Sales Funds, to pay for closing costs associated with the execution of the Space Leases, including the reimbursement of LDG for condominium and development-related expenditures, and to make initial lease payments that will become due prior to the closing on the construction financing; and

**WHEREAS**, staff is requesting the proceeds generated from recapitalizing Arcola Towers and Waverly House via RAD, totaling \$5,060,644, to be used to fund the \$2,500,000 requested herein and all future predevelopment costs related to Elizabeth House III, thus fulfilling the original intent for the use of the Arcola and Waverly Sales Funds.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that:

1. It hereby authorizes the draw of up to ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) of predevelopment funding to develop and complete the permit set of architectural drawings and construction documents, which draw shall be funded from the Arcola and Waverly Sales Funds.
2. It hereby authorizes the creation of up to four (4) separate legal entities to hold the leasehold interests under the Space Leases.
3. The Executive Director is authorized to execute the four (4) Space Leases on behalf of and in the name of the newly created entities by September 30, 2016, or such later date as shall be acceptable to LDG or its successor affiliate.
4. It hereby approves up to ONE MILLION DOLLARS (\$1,000,000) in development funds, to be funded from the Arcola and Waverly Sales Funds, to: 1) reimburse LDG for development expenditures and pay for other expenditures related to the execution of the Space Leases, and 2) commence lease payments in advance of closing of the construction financing.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed to take any and all other actions necessary and proper to carry out the actions contemplated herein, including the execution of any documents related thereto.

- 3. Approval to Select Hamel Builders as General Contractor and Authorization for the Executive Director to Negotiate a Contractor for Greenhills Apartments Transaction**

Kayrine Brown, Chief Investment and Real Estate Officer, and Hyunsuk Choi, Senior Financial Analyst, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Commissioner McFarland. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

**RESOLUTION: 16-65**

**RE: Approval to Select Hamel Builders as  
General Contractor and Authorization  
for the Executive Director to Negotiate  
a Contract for Greenhills Apartments  
Transaction**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing financing for the construction of rental housing properties which provide a public purpose; and

**WHEREAS**, Greenhills Apartments (the “Property”) is a 78-unit townhouse and apartment complex located at 10560 Tralee Terrace, Damascus, Maryland which the Commission acquired in 1998; and

**WHEREAS**, the Property is wholly owned by HOC; and

**WHEREAS**, there has been no major improvements to the buildings since initial construction; and

**WHEREAS**, the Commission approved Preliminary Development plan includes the sale of the property to a LIHTC limited partnership and funding of \$84,000 for the costs of predevelopment planning to renovate the property; and

**WHEREAS**, on January 8, 2016, interim financing was closed upon using a short-term, tax-exempt, interest-only loan from BB&T Bank in the amount of \$4,320,000 to retire a draw on the Real Estate Line of Credit (“RELOC”), a previous interim source; and

**WHEREAS**, HOC’s Procurement Office issued a Request for Proposals (“RFP”) #2004 for construction services at Greenhills Apartments on June 16, 2016; and

**WHEREAS**, three (3) respondents submitted qualified package by the deadline of July 15, 2016 that met threshold requirements; and

**WHEREAS**, Hamel Builders, Inc. (“Hamel”) scored highest in the average of the evaluators’ scores on the criteria with an average score of 90.33%; and

**WHEREAS**, based on the evaluation of the proposals, staff recommends the selection of Hamel as general contractor for the renovation of the Property and requests authorization of the Executive Director to enter into contract negotiations; and

**WHEREAS**, staff will present the Commission with a Final Development Plan once the costs and budget are more certain, and such revised plan will identify the sources of funds to finance all costs and repay all loans made from the Opportunity Housing Reserve Fund (OHRF).

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the selection of Hamel as General Contractor and authorizes the Executive Director to negotiate a contract for the Greenhills Apartments transaction.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County hereby approves a temporary cessation on new leasing beginning September 2016 through March 2018 to make available a maximum of 12 vacant units at a time to complete the renovation.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves an increase in predevelopment funds of \$128,050 from the OHRF, bringing the total to \$212,050.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes and directs the Executive Director, without further action on its part, to take any and all other actions necessary and proper to carry out the transactions contemplated herein, including but not limited to the execution of any and all documents related thereto.

**4. Approval to Select Firms to Expand the Pool of Development and Financing Professionals Pursuant to Request for Qualifications (RFQ) #2007**

Kayrine Brown, Chief Investment and Real Estate Officer, and Zachary Marks, Assistant Director of New Developments, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

**RESOLUTION: 16-66**

**RE: Approval to Select Firms to Expand the Pool Of Development and Financing Professionals Pursuant to Request for Qualifications (RFQ) 2007**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

**WHEREAS**, the Commission continues to review its real estate portfolio as well as pursue acquisition and development opportunities to expand and preserve the Montgomery County housing stock that is affordable to households of eligible income; and

**WHEREAS**, on September 16, 2014, the Commission solicited proposals from qualified firms or individuals to form a pool of professionals which would provide Development and Financing Consultant services ("D&F Pool") to supplement the current staff of the Commission’s Real Estate Division and obviate the need to add full time, permanent staff; and

**WHEREAS**, on March 4, 2015, the Commission approved the formation of the D&F Pool, an aggregate contract amount of \$1 Million for the D&F Pool, and a maximum contract term, inclusive of options, of four years for each individual or joint respondent within the D&F Pool; and

**WHEREAS**, development consultants in the D&F Pool (“Development Consultants”) will perform all the work necessary for acquisition, preservation, rehabilitation, or construction opportunities as well as provide accompanying financing consulting services and financing consultants from the D&F Pool (“Financing Consultants”) will advise, source, and structure debt and equity to enhance the Commission’s existing debt products, all under the direction of the Commission’s real estate staff; and

**WHEREAS**, each consultant will be selected as needed from the D&F Pool after it submits its proposal to the Commission in response to the requested scope of work and would be compensated accordingly from the respective Commission-approved project development budget, such approved project budget having gone through the normal Development and Finance Committee and Commission approval processes for a development; and

**WHEREAS**, the number and diversity of the Commission's prospective real estate and financing transactions continues to grow; and

**WHEREAS**, on July 14, 2016, HOC issued RFQ #2007 – Request for Qualifications to Serve as Real Estate Development and/or Financing Consultant – to solicit additional firms for the D&F Pool; and

**WHEREAS**, the Commission received five responses to RFQ #2007, and one response was subsequently withdrawn.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby authorizes and directs the Executive Director, without further action on its part, to execute four individual contracts for development and finance consulting services, as described by RFP #2007, with Econometrica, Inc. (and associated firms), Jain & Associates, Scheer Partners, and Urban Ingenuity for an initial contract term of one year each with an option to extend as permitted under HOC's procurement policy.

**BE IT FURTHER RESOLVED** that the Executive Director is hereby authorized to assign individual development and consulting tasks of up to \$225,000 to any consultant in the D&F Pool without further Commission approval of such selection and assignment provided that the funding for such tasks shall require customary Commission approval.

**BE IT FURTHER RESOLVED** that the Executive Director is hereby authorized and directed to take all actions necessary and proper to carry out the transactions and activities contemplated herein.

**5. Approval to Select CBG Building Company as General Contractor and Authorization for the Executive Director to Negotiate a Contract for the 900 Thayer Transaction**

Kayrine Brown, Chief Investment and Real Estate Officer, and Hyunsuk Choi, Senior Financial Analyst, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

**RESOLUTION: 16-67**

**RE: Approval to Select CBG Building Company As General Contractor and Authorization for The Executive Director to Negotiate a Contract For the 900 Thayer Transaction**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission"), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing financing for the construction of rental housing properties which provide a public purpose; and

**WHEREAS**, on August 5, 2015, as ratified on September 2, 2015, the Commission authorized the execution of a Purchase and Sale Agreement with 900 Thayer Avenue LLC (the "Seller") to purchase 28,526 square feet of land at the southwest corner of Thayer Avenue and Fenton Street (the "Property"), including design documents, design consulting contracts, and all other related due diligence; and

**WHEREAS**, pursuant to a Purchase and Sale contract which was executed on August 7, 2015, the Commission acquired the fully entitled Property on March 16, 2016; and

**WHEREAS**, the Property will include 73 one-bedroom units and 51 two-bedroom units, including 96 RAD Project Based Rental Assistance (“PBRA”) units spread throughout the property and 28 market rate units; and

**WHEREAS**, on April 6, 2016, the Commission approved the development plan for 900 Thayer, including approvals for a 124-unit new construction family transaction to include 96 RAD PBRA units, a predevelopment loan of \$2,182,500, the selection of The Concourse Group (“TCG”) as development consultant, and the acceptance of an existing contract for the KTG architecture firm; and

**WHEREAS**, on June 14, 2016, HOC issued a request for qualification (“RFQ”) #2003 for Contractor Evaluation and Selection Process representing part one of the procurement process to determine contractor qualification which, when combined with part-two of the procurement process (the solicitation of proposals for price and time of completion), enabled HOC’s staff to select the highest scoring general constructor from among all bidders; and

**WHEREAS**, four firms (CBG Building Company, Southway Builders, Kinsley Construction, Inc., and Harkins Builders) participated in part-two of the procurement process but Harkins Builders withdrew from consideration and after considering the qualifications and pricing for the remaining three firms, CBG Building Company (“CBG”) scored highest in the average of the evaluators’ scores on the criteria with an average score of 94.00%.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to negotiate a construction contract with CBG Building Company for the 900 Thayer transaction.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director, without any further action on its part, to take any and all other actions necessary and proper to carry out the transaction and actions contemplated herein.

**IV. ITEMS REQUIRING DELIBERATION and/or ACTION**  
None

**V. FUTURE ACTION ITEMS**  
None

**VI. INFORMATION EXCHANGE (CONT'D)**  
None

**VII. NEW BUSINESS**  
None

**VIII. EXECUTIVE SESSION FINDINGS**

**None**

The meeting adjourned at 5:07 to convene a meeting of the TPM Development Corporation.

The Housing Opportunities Commission Board meeting reconvened at 5:12 p.m. Based upon this report and there being no further business to come before this session of the Commission, a motion was made, seconded and unanimously adopted to adjourn.

The meeting adjourned at 5:12 p.m.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

/pmb

**Approved: 2016Oct05**